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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF WASHINGTON

13            Comes now the Chelan Douglas Regional Port Authority, formerly the Port of  
14            Douglas County (the “Port”) and raises a limited objection to the Trustee’s motion. The  
15            Port does not object to the Trustee’s sale of the personal property to Gibb Compute  
16            LLC or the overbid procedures outlined in the Trustee’s motion. However, the Port  
17            does object to what is not in the Purchase and Sale Agreement.

18 As was previously established in the Port's motion for relief from stay, the  
19 current lease between the Port and Debtor was not assumed and is therefore rejected.  
20 The lease was terminated prior to filing and there is currently no lease in effect.

21 Paragraph 13 of the Purchase and Sale Agreement (ECF 519-2, page 5 of 11)  
22 indicates that the buyer shall indemnify the seller against any damage to the real  
23 property, which real property is the Port's property, that is caused by "buyer's **gross**  
24 negligence". Paragraph 1 of the Purchase and Sale Agreement (ECF 519-2, page 2 of  
25 11) indicates the buyer is not required to remove all Debtor's equipment. Currently

**LIMITED OBJECTION TO CHAPTER 11  
TRUSTEE'S MOTION FOR ORDER  
APPROVING SALE OF EQUIPMENT FREE  
AND CLEAR OF LIENS - 1**

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1 there is equipment, debris, and underground conduit left by Debtor that remains on the  
2 Port's real property along with the pods. The last sentence of that paragraph, which is  
3 at the top of page 3 of ECF 519-2, indicates the buyer may, but is not obligated to,  
4 demolish or remove any pods.

5 The Port's objection is that there may be debris and/or equipment left on the  
6 Port's real property after the purchaser removes the items it agrees to purchase. The  
7 Purchase and Sale Agreement allows the purchaser to cherry-pick personal property.  
8 Therefore, there could be substantial debris, underground conduit, and junk left from  
9 Debtor that would remain on the Port's property after purchaser removes the items of  
10 equipment it chooses to purchase. The Port wants to be assured that ALL personal  
11 property is to be removed, whether the purchaser elects to purchase it or not.

12 The Port further objects because the Port is not being indemnified by either the  
13 purchaser or the Trustee. Therefore, the Port requests the court to order the Trustee  
14 to indemnify the Port against any and all claims of any nature and to any extent  
15 brought by any party whatsoever, for any claims, actions, causes of action, demands,  
16 rights, damages, costs, loss of service, expenses and compensation whatsoever,  
17 which any party brings against the Port, which may accrue in any way out of the sale  
18 and removal of personal property by purchaser or removal of any remaining debris by  
19 the Chapter 11 Trustee.

20 DATED this 6<sup>th</sup> day of April 2020.

21 HAMES, ANDERSON, WHITLOW & O'LEARY, P.S.  
22 Attorneys for Chelan Douglas Regional Port  
Authority, formerly the Port of Douglas County

23 By: /s/ William L. Hames  
24 WILLIAM L. HAMES, WSBA #12193

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LIMITED OBJECTION TO CHAPTER 11  
TRUSTEE'S MOTION FOR ORDER  
APPROVING SALE OF EQUIPMENT FREE  
AND CLEAR OF LIENS - 2

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